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(916) 651-4026

Contact: Fahizah Alim

State Capitol, Sacramento, CA 95814 • Tel: (916) 651-4026 • Fax: (916) 445-8899 • Website: www.assembly.ca.gov/LBCweb/

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Senator Mark Ridley-Thomas, Chairman of the California Legislative Black Caucus, issued the following statement on behalf of the Caucus, regarding the revenue plan released by the Budget Conference Committee:

I commend the Budget Conference Committee for its work to advance a spending plan for the 2008-09 Fiscal Year that addresses the \$15.2 billion shortfall with a balanced, thoughtful approach to protecting opportunity and the most vulnerable.

With the national economy on the verge of recession and the State's deficit spiraling out of control, true and bold leadership is the order of the day. Prudence and equitable pain distribution coupled with a comprehensive and long-term vision for the State is the correct criteria for crafting this year's budget plan and help guide California to solvency.

This plan rejects the Governor's cuts in education and health care and includes \$9.7 billion in new revenues, which is \$1.8 billion lower than what the Senate recommended and \$2.7 billion more in new revenue than what the Governor proposed. It closes tax loopholes and rolls back tax breaks for corporations and the wealthy.

We cannot cut our way out of this \$15 billion hole. During the last three budgets, the State has cut \$12.3 billion dollars. We can not provide quality education, health care fire protection and law enforcement without additional revenue.

The Conference Committee restored \$1.8 billion in health and human service cuts, including nearly \$200 million in health care services to our most vulnerable residents, the reimbursement rate for Medi-Cal providers and funding for the aged, blind and disabled.

In addition to shielding the most vulnerable in our State from even more severe cuts, the Conference Committee protected the promise of opportunity represented by the restoration of \$57 million in financial assistance of college students and \$1.5 billion more for education than the Governor proposed.

For every \$500 million in reductions, Californians lose the equivalent of 25,000 seats at the University of California or 45,000 seats at the California State University system. Another \$500 million would result in the loss of about 7,500 elementary schoolteachers or schooling for nearly 57,500 K-12 students.

No one takes the prospect of reducing spending or increasing revenue lightly. These are difficult choices. But we must also continue investing in our future, preserving opportunity, strengthening families and providing a safety net for the most vulnerable.

As Speaker Karen Bass has said, the structural deficit problem remains at the root of our fiscal challenges. We have to develop a more comprehensive approach to establish priority services for health, education and the transportation infrastructure.

The Legislative Black Caucus has a history of advocacy for the most vulnerable and through legislation designed to meet the needs of millions of neglected and disenfranchised. This plan is in line with that mission.